

E-Nam Policies for the Promotion of Agricultural Trade in India

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Abstract: Electronic National Agriculture Market (e-NAM) was a digital trading platform for agricultural commodities in India. The market facilitates farmers, traders, and buyers with digital trading in commodities within the country. This market helps in better price finding and provides facilities for the smooth marketing of agricultural products. e-NAM aims to improve the digital marketing aspect of the agriculture sector with one license for the entire state and a single point levy, an entire state becomes a market, and the market fragmentation within the same state gets repealed. It will enhance the supply chain of commodities and diminishes wastage. As per the government of India reports, said 1,000 mandis had been integrated with the e-NAM in 21 states and Union Territories so far, with 1.69 crore farmers enlisted on it, and added 1,000 mandis would be connected with this digital medium the analysis revealed that 1.55 lakh traders have enlisted on the e-NAM platform, where trade volume of 4.13 crore tonnes of majority commodities and 3.68 crore coconuts and bamboos worth Rs ₹1.22 lakh crore had been recorded. Direct payment to farmers has also been encouraged on this platform. The Indian Government, in Budget 2021, has announced that 1,000 more mandis will be integrated with e-Nam in 2021-22, further amplifying the wholesale markets. According to the Ministry, the e-Nam is not just a scheme but a voyage that aims to benefit the last-mile farmer and recast how they sell their Agri produce digitally all over India. In this article, the secondary data collected from the various departments of the Indian Government are analyzed by using forecasting analysis, percentage analysis, rank analysis, and the growth rate for the number of integrated markets and funds released under the electronic National Agriculture Markets (e-Nam), and the performance of the e-Nam in India.

Keywords: Digital, Marketing, Agricultural, Products, e-Nam, Trade, Polices

INTRODUCTION

National Agriculture Market (e-Nam) is a Digital trading platform for agricultural commodities in India. The market facilitates online trading in commodities for farmers,

traders, and buyers (Kapoor, 2021). The market helps find better prices and delivers facilities for smooth produce marketing. The market transactions stood at ₹36,200 crores (equivalent to ₹410 billion or US\$5.2 billion in 2020) by January 2018, primarily intra-market. Over 175 commodities, including staple food grains, vegetables, and fruits, are currently listed in its list of commodities available for trade (e-Nam, 2018). The National Agriculture Market (e-Nam) is proving popular as the crops are weighed instantly, the stock is listed on the same daytime and digitally makes the payments. In February 2018, some attractive features like the Management Information System dashboard, **Bharat Interface for Money**, and other mobile payments platforms, enhanced features on the mobile app such as gate entry and payment through mobile phones through digitally and farmers database is helping adoption even more.

The present trading is done mainly for intra-market, but in phases, it will be rolled out to trade in inter-market and inter-state, creating a unified national market for agricultural commodities. e-Nam aims to improve the digital marketing aspect of the agriculture sector with one license for the whole state and a single point levy, an entire state becomes a market, and the market fragmentation within the same state gets repealed. It will enhance the supply chain of commodities and diminishes wastage (Damodaran, 2021). Marketing of agricultural produce serves as a link between the farm sector on the one hand and other sectors on the other hand. An efficient marketing system helps optimize resource use, and output management, increase farm incomes, widening of markets, growth of agro-based industry, and addition to national income through value addition and employment creation (Acharya, 2006) (Acharya & N. Agarwal, 2004).

Agriculture marketing is presided over by the Agricultural Produce Marketing (Regulation) Act (APMRA), with the respective State Government administrators. APMRA implemented in various states during the 1960s and 1970s brought radical changes and significant improvement in almost all aspects of marketing farm produce (Chand, 2012). An attempt has been made to analyze the physical and financial performance of integrated markets in India.

OBJECTIVES

The specific objectives are:

- To study the growth of Selected state-wise numbers of integrated markets in India;
- To analyze the physical and financial performance of the Integrated markets in India; and
- To examine the stakeholder registration and trade records growth in e-Nam of India.

METHODOLOGY

Secondary data have been collected and used to forecast and analyze the growth rate of Stakeholder registration and Trade records in e-Nam, India. The data was collected for the period of three years from 2019 - 2021 from the Annual Report of the Department of Agriculture, Cooperation & Farmers' Welfare of India. The collected data are analyzed by using charts and forecasting analysis. In this article, the secondary data collected from the various departments of the Indian government are analyzed by using forecasting analysis, percentage analysis, rank analysis, and growth rate for the number of integrated markets, funds released under the electronic national agriculture markets (e-Nam), and the performance of the e-Nam in India.

RESULT AND DISCUSSION

The data analysis is presented in three sections. The first section deals with the number of integrated markets and funds released under the electronic national agriculture market (e-Nam) in India. The estimate of Stakeholder registration and Trade records of e-Nam in India growth up to the year 2023 is analyzed in the second section. The Rank analysis and Percentage analysis of the fund released under the Electronic National Agriculture Market (e-Nam) in India are presented in the third section.

Electronic National Agriculture Market

Agri-Tech Infrastructure Fund (ATIF). e-NAM was launched on 14th April 2016 by Hon'ble Prime Minister as a pilot in 21 markets across 08 States. Under the scheme, 1000 markets of 18 States and 3 Union Territories were successfully integrated with the e-NAM platform by 15th May 2020. Following successive Funding notifications of 2014-2015 and 2015-16 on setting up an Agri-Tech Infrastructure Fund, and the need to build a National Agriculture Market to improve the income of farmers with the incidental benefit of reconciling price rise, respectively, the Government sanctioned a Central Sector Scheme for Promotion of National Agriculture Market (NAM) via Agri-Tech Infrastructure Fund (ATIF) on 01st July 2015 with a funding allocation of Rs. 200 crores. The scheme envisages the deployment of a common e-market platform in 585 selected regulated wholesale agriculture markets (starting now called markets) by March 2018. The standard e-market portal will be called e-NAM (Government of India Ministry of Agriculture and Farmers' Welfare Department of Agriculture, 2016)

Integrated Markets

The APMC markets and *mandis* are connected with e-Nam, and their corresponding states must first carry out three marketing reforms in their APMC Act. These are a single-point levy of *mandi* fees, a unified trade license valid across all *state mandis*,

and the provision of e-auction facilities. After carrying out these reforms, the states are required to nominate their wholesale regulated markets for integration with the e-NAM platform based on the state's priorities, which the Centre then considers for integration. States/UTs, which either do not have trading regulations or are not in force, must identify institutions with legally enforceable guidelines, which will develop the appropriate physical infrastructure and put facilitatory provisions required for e-trading on the e-Nam platform, including registration of traders/farmers (Suprita Anupam, 2019).

Table 1: State-wise Funds Released under Electronic National Agriculture Market (e-Nam) and Number of Integrated Markets in India 2021

<i>States/UTs</i>	<i>Fund Released in Crores (Rs.)</i>	<i>No. of Integrated Markets</i>	<i>Rank Analysis for Integrated Markets</i>	<i>Percentage Analysis for Integrated Markets</i>	<i>Percentage Analysis for Fund</i>
Andhra Pradesh	Rs 3.40	22	9	3.76	2.94
Chandigarh	-	1	18	0.17	-
Chhattisgarh	Rs 1.50	14	15	2.39	1.30
Gujarat	Rs 19.50	79	2	13.50	16.84
Haryana	Rs 9.30	54	5	9.23	8.03
Himachal Pradesh	Rs 5.70	19	10	3.25	4.92
Jharkhand	Rs 5.70	19	10	3.25	4.92
Madhya Pradesh	Rs 10.50	58	4	9.91	9.07
Maharashtra	Rs 9.00	60	3	10.26	7.77
Odisha	-	10	16	1.71	-
Punjab	-	19	10	3.25	-
Puducherry	-	2	17	0.34	-
Rajasthan	Rs 7.50	25	7	4.27	6.48
Tamil Nadu	-	23	8	3.93	-
Telangana	Rs 12.17	47	6	8.03	10.51
Uttar Pradesh	Rs 30.00	100	1	17.09	25.91
Uttarakhand	Rs 1.50	16	14	2.74	1.30
West Bengal	-	17	13	2.91	-
India (Total)	Rs 115.77	585	-	100	100

Source: Indiastat

Table 1 shows that the total fund released under Electronic National Agriculture Market (e-Nam) in India by the Government in India was 115.77 Crores, and the total number of Integrated markets was 585 in India. The rank analysis results indicate that Uttar Pradesh got the first position with hundred integrated markets, and the Chandigarh state got the eighteenth (last) position with only one integrated market. It is an inference that the state of Uttar Pradesh has a large number of integrated markets

because of high performance and utilizing the fund properly and Chandigarh state was having the lowest number of integrated markets because of poor performance and utilizing the fund not properly with Electronic National Agriculture Market (e-Nam) in India.

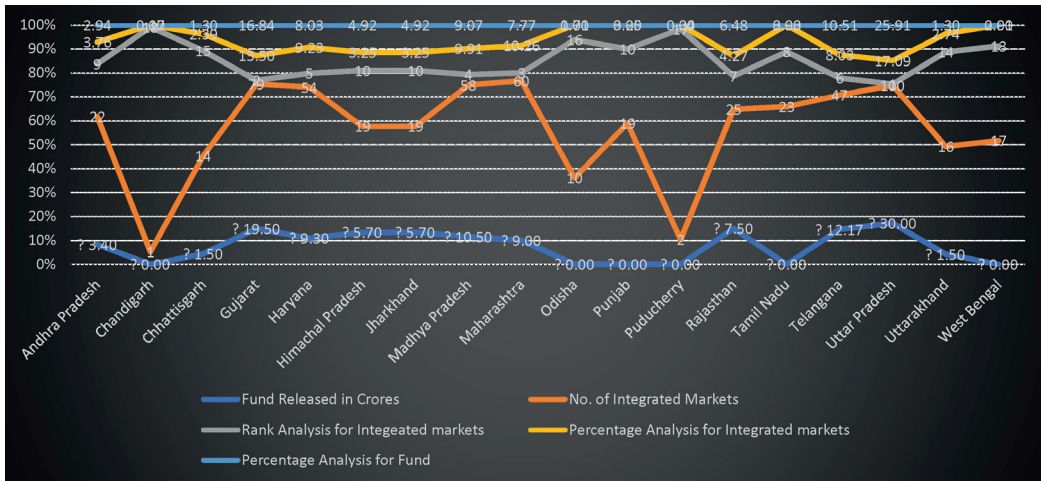


Figure 1

Source: Computed from Table - 1

Figure 1 shows that the result of the rank analysis indicates that Uttar Pradesh state got the first position with 100 integrated markets and 17.09 percent of the total integrated markets in India. The Chandigarh state got the eighteenth position with only one integrated market, which was 0.17 percent of the total integrated market in India. The result of the percentage analysis of the fund indicates that Gujarat state got the highest fund, ₹ 19.50 crores in India, and it was 16.84 percent of the total fund, Chhattisgarh and Uttarakhand state got the lowest fund it was only ₹ 1.50 crore in India, it was the 1.30% of each state of the total fund released under Electronic National Agriculture Market (e-Nam) in India.

Stakeholders in Electronic National Agriculture Market

It was managed by Small Farmers Agribusiness Consortium (SFAC) under the Department of Agriculture, Cooperation, and Farmers Welfare. It fuses agricultural produce market committees (APMCs) across all states with the digital trading of commodities. While the farmer is the primary stakeholder, e-NAM also provides traders, commission agents, and exporters, stakeholders with better business opportunities through a unified and extensive marketplace. It aims to help them discover better prices and facilitates for smooth marketing of the products through mobile and web applications. It was done by

Table 2: Stakeholder registration in Electronic National Agriculture Market (e-Nam)

Particulars	2019	2020	2021	Expected in 2022	Expected in 2023	Growth Rate 2020 in Percentage	Growth Rate 2021 in Percentage	Expected Growth Rate 2022 in Percentage	Expected Growth Rate 2023 in Percentage
No. of Farmers registered	1,65,00,000	1,68,00,000	1,72,00,000	1,75,33,333	1,78,83,333	1.82	2.38	1.94	2.00
No. of Traders registered	1,26,000	1,51,000	2,11,000	2,47,667	2,90,167	19.84	39.74	17.38	17.16
No. of Commission Agents (CAs) registered	70,765	86,889	1,01,000	1,16,453	1,31,571	22.79	16.24	15.30	12.98

Source: Department of Agriculture, Cooperation & Farmers' Welfare Annual Reports

providing information and services related to agri-commodities (Small Farmers' Agri-Business Consortium (Lead Implementing Agency), n.d.).

Table 2 shows that the number of registered farmers was 1.65 Crore, registered traders was 1.26 Lakhs, and registered CAs in India was 70,765 as per the registered Stakeholder in India data for 2019 and it has increased to 1.72 corers registered farmers, 2.11 Lakhs registered traders, and 1.01 Lakhs registered CAs in Electronic National Agriculture Market (e-Nam) in the year 2021. By doing the forecasting analysis the expected data for the farmer registered will be 1.79 Crores, traders registered will be 2.90 Lakhs, and CAs registered will be 1.31 Lakhs in Stakeholder registration in Electronic National Agriculture Market (e-Nam). It is an inference that the expected farmer's registration will be 1,78,83,333 in the year 2023 and the expected trader's registration will be 2,90,167 in the year 2023 and the expected CAs registration will be 1,31,571. The expected growth rate of farmer's registration will be 2.00 percent, the expected growth rate of trader's registration will be 17.16 percent, the expected growth rate of CAs registration will be 12.98 percent.

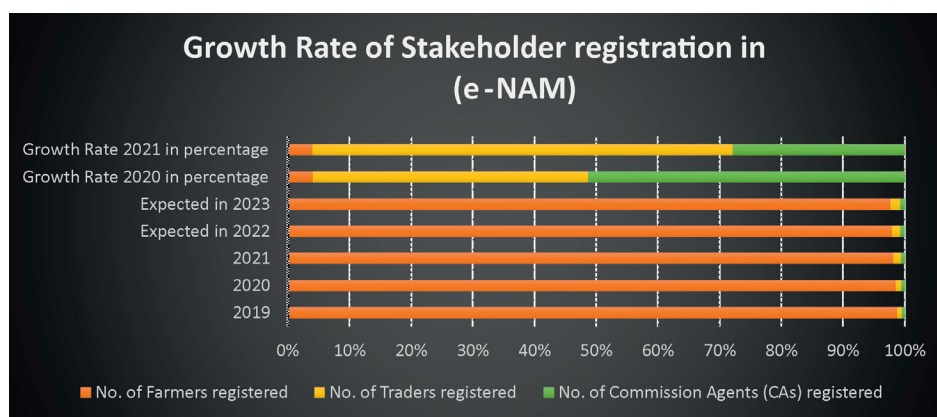


Figure 2

Source: Computed from Table 2

Figure 2 shows that the expected growth rate of registered farmers is 1.82 percent, registered traders are 19.84 percent, and registered CAs are 19.84 percent declined from the year 2020. It is inferred that the expected growth rate of registered farmers will be 2.0 percent, registered traders will be 17.16 percent, and registered CAs will be 12.98 percent in 2023.

Trade Record

National Agriculture Markets, popularly comprehended as e-NAM, was an innovative initiative in agricultural marketing to improve farmers accessibility digitally to

Table 3: Trade record in Electronic National Agriculture Market (e-Nam)

	2019	2020	2021	Expected in 2022	Expected in 2023	Growth Rate 2020 in percentage	Growth Rate 2021 in percentage	Expected Growth Rate in 2022	Expected Growth Rate in 2023
Total Trade Volume (MT)	3,15,00,000	3,89,00,000	5,25,00,000	6,19,66,667	7,24,66,667	23.49	34.96	18.03	16.94
Total Trade Volume (numbers in Crore)	2,03,00,000	2,52,00,000	11,54,00,000	14,87,33,333	19,62,83,333	24.14	357.94	28.89	31.97
Total Trade Value (Rs)	Rs 89,896	Rs 1,14,003	Rs 1,67,413	Rs 2,01,288	Rs 2,40,046	26.82	46.85	20.23	19.26
Tradable parameters for notified commodities	150	175	175	-	-	-	-	-	-

Source: Department of Agriculture, Cooperation & Farmers' Welfare Annual Reports

considerable numbers of markets and buyers to bring translucency in trades with the intent to enhance price discovery mechanism, quality proportional price realization, and also to develop the vision of One Nation One Market for agriculture produce. The trade record includes the trade volume of commodities, trade volume, trade value, and the number of supported commodities (Ministry of Agriculture & Farmers Welfare, 2021).

Table 3 shows that the total trade volume were 3.15 MT and 2.03 Crores, Total Trade values were Rs.89,896 in the year 2019. By doing a forecasting analysis the expected data for Total trade volume in MT will be 7.25 MT, Total trade volume in Crores will be 19.63, and Total Trade value will be Rs. 2.40 Lakhs in the year 2023.

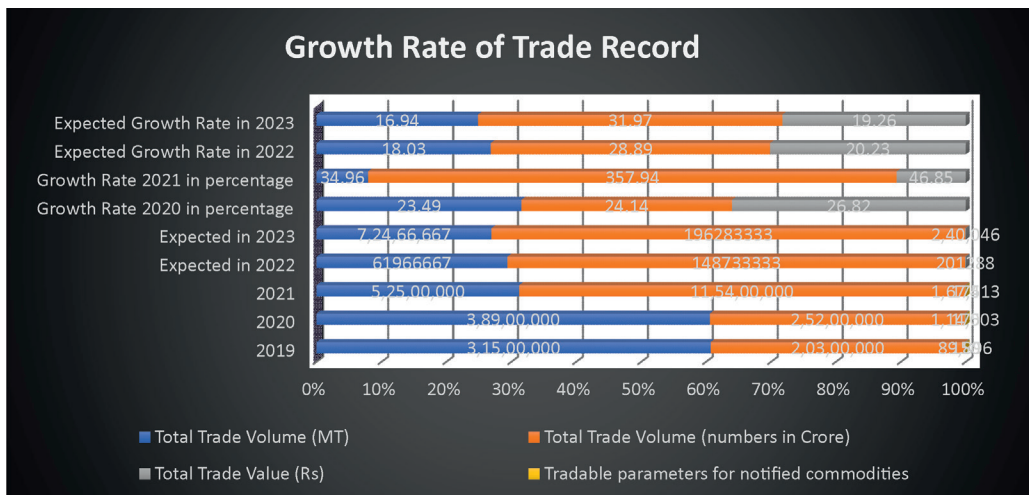


Figure 3

Source: Computed from Table 3

Figure 3 shows that the growth rate of total trade volume in (MT, Crore), and Total Trade values for trade recorded in e-Nam were 23.49 percent, 24.14 percent, and 26.82 percent respectively in the year 2020. The expected growth of total trade volume in (MT, Crore), and Total Trade value will be 16.94 percent, 31.37 percent, and 19.26 percent respectively in the year 2023.

SUMMARY OF FINDINGS

The findings of this study show that the total fund released under the Electronic National Agriculture Market (e-Nam) in India by the government was 115.77 crores at the 585 integrated markets in India. The total rank analysis results conclude that Uttar Pradesh got the first position with hundred integrated markets because the state of Uttar Pradesh has a large number of integrated markets, has high performance, and utilizes the fund

properly at the Electronic National Agriculture Market (e-Nam) in India. The result of the rank analysis indicates that Uttar Pradesh got the first position with 100 integrated markets, which was 17.09 percent of the total integrated markets in India. The result of the percentage analysis of the fund indicates that the Gujarat state got the highest fund of 19.50 crores in India, which was 16.84 percent of the total fund in India, and it was 1.30 percent of the total fund released under the Electronic National Agriculture Market (e-Nam) in India. The number of registered farmers, registered traders, and registered CAs in India was 1.65 crore, 1.26 lakh, and 70,765 as per the registered stakeholder in India data for 2019, and it has increased to 1.72 crore, 2.11 lakh, and 1.01 lakh in the year 2021. The forecast analysis revealed the expected data for farmers registered, traders registered, and CAs registered will be 1.79 crores, 2.90 lakhs, and 1.31 lakhs in stakeholder registration in the Electronic National Agriculture Market (e-Nam). The expected farmers registration will be 1,78,83,333 in the year 2023; the expected traders registration will be 2,90,167 in the year 2023; and the expected CAs registration will be 1,31,571. The expected growth of farmers registration will be 2.00 percent; the expected growth rate of traders registration will be 17.16 percent; and the expected growth rate of CAs registration will be 12.98 percent. The growth of registered farmers has been 1.82 percent, registered traders have 19.84 percent, and registered CAs have 19.84 percent. This has declined from the year 2020, and the expected growth rate of registered farmers will be 2.0 percent, registered traders will be 17.16 percent, and registered CAs will be 12.98 percent in 2023. The total trade volume in (MT & Crore) and Total and total trade values were 3.15 MT and 2.03 Crores, and ₹ 89,896. The forecast analysis revealed the expected data for total trade volume in MT, total trade volume in crores, and total trade value in the year 2023 will be 7.25 MT, 19.63 crores, and ₹ 2.40 lakhs. The growth rates of total trade volume in (MT, crore) and total trade values for trade recorded in e-Nam were 23.49 percent, 24.14 percent, and 26.82 percent in the year 2020. The expected growth of total trade volume in (MT, Crore), and total trade value for trade records will be 16.94 percent, 31.37 percent, and 19.26 percent in the year 2023. The percent study observes that there will be a growth in stakeholder registration and Trade records in e-Nam in the upcoming years, estimated up to the year 2023. It is revealed that the rate of growth, rank analysis, forecasting analysis, and percentage analysis are in a declining trend during the same period.

CONCLUSION

According to the conclusions drawn from this study, compared to the other states in India, Uttar Pradesh occupies the first position among the one hundred integrated markets under the Electronic National Agricultural Market in India because the state made efficient use of funds given by the Central Government of India. At the end of

the year 2023 in India, the expected registrations for farmers in the Electronic National Agricultural Market will be 17883333, the expected registrations for traders in the Electronic National Agricultural Market will be 290167, and the expected registrations for CAs in the Electronic National Agricultural Market will be 131571.

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